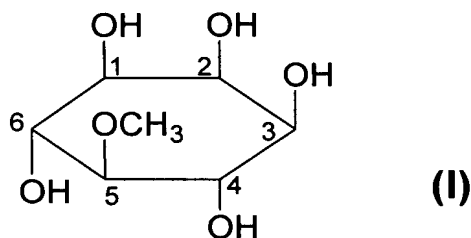


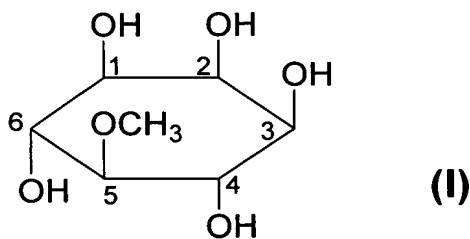
Amendments to the Claims

This listing of claims will replace all prior versions, and listings of claims in the application.

1. (original) A natural compound having antidiabetic effect extracted from *Taxus species*, characterized in that it is 5-O-methyl-*myo*-inositol having the formula I:



2 (original) A process for extracting a natural compound having antidiabetic effect extracted from *Taxus spp*, said process comprising: extracting *Taxus spp* with an organic solvent to obtain an extractum, subjecting the extractum to a diphasic extraction and a chromatography, collecting fractions containing *myo*-inositol derivative, then concentrating, crystallizing, and filtrating to obtain a powder, recrystallizing the powder to obtain a natural compound of 5-O-methyl-*myo*-inositol having the formula I:

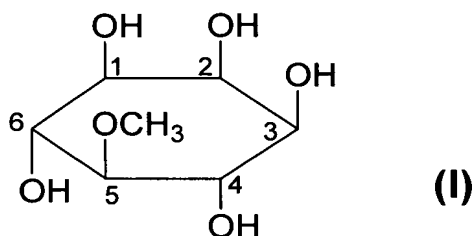


3. (original) A method according to claim 2, characterized in that said *Taxus spp* is *Taxus yunnanensis* Cheng et L. K. Fu, or *Taxus chinensis* var. *mairei* (Lemee et Levl) Cheng et L K. Fu.
4. (original) A method according to claim 2, characterized in that the organic solvent used for extraction comprises ethanol, methanol, acetone, and aqueous mixtures thereof.
5. (original) A method according to claim 2, characterized in that the solvent used for diphasic extraction is a water insoluble organic solvent.
6. (currently amended) A method according to claim 5, characterized in that the organic solvent is ethyl acetate, chloroform, dichloromethane[[],] or ethyl ether.
7. (original) A method according to claim 2, characterized in that the chromatography is a macroporous resin column, glucose G or modified glucose column, cellulose column, or activated carbon column.
8. (original) A method according to claim 2, characterized in that the solvent system used for recrystallization is a solvent system comprising ethanol, methanol, acetone, methylethylketone, or a mixture thereof.

9. (currently amended) A pharmaceutical composition for treatment of diabetes, characterized in that the pharmaceutical composition comprises a natural compound according to claim 1 admixed with one or more adjuvants and/or excipients.

10. (original) A pharmaceutical composition according to claim 9, characterized in that the pharmaceutical composition can form pharmaceutical dosage forms, such as injection, capsule, tablet, granule, sugar-coated pill, solution, etc.

11 (currently amended) ~~Use of a natural compound according to Claim 1 in the manufacture of a medicament for treatment and prevention of diabetes~~ A method for treating or preventing diabetes, comprising administering to the patient in need thereof a medicament that contains a natural compound extracted from *Taxus species*, characterized in that it is 5-O-methyl-*myo*-inositol having the formula I:



12. (currently amended) Use The method according to claim 11, characterized in that said medicament is able to significantly alleviate hyperglycemia of diabetes, inhibit the decomposition of hepatic glycogen and the absorption of glucose, reduce blood fat

level, improve the metabolism of free radicals, and protect β cells of pancreatic island;
and has a very low toxicity.

13. (currently amended) Use The method according to claim 11, characterized in that said medicament can be used for prevention and treatment of diabetes and complications in terms of diabetic cardioangiopathy and other glycometabolic disorder-associated diseases, and for improvement of the metabolism of free radicals.

14. (currently amended) Use The method according to claim 11, characterized in that said medicament can be used for prevention and treatment of type-II diabetes and complications in terms of diabetic cardioangiopathy.